

**MINUTES OF A REGULAR MEETING OF
THE TORRANCE WATER COMMISSION**

1. CALL TO ORDER

The Torrance Water Commission convened in a regular session at 7:00 p.m. on Thursday, April 19, 2012 in the West Annex Meeting Room at Torrance City Hall.

2. ROLL CALL:

Present: Commissioners Haddon, Lefevre, McCabe,
Nishinaga, See, and Chairperson McGee.

Absent: Commissioner Deemer.

Also Present: Public Works Director Beste,
Deputy Public Works Director van der Linden,
Senior Administrative Analyst Schaich, and
Metropolitan Water District Director Wright.

MOTION: Commissioner Haddon moved to grant Commissioner Deemer an excused absence for the April 19, 2012 Water Commission meeting. Commissioner Lefevre seconded the motion; a voice vote reflected unanimous approval.

3. FLAG SALUTE

Commissioner See led the Pledge of Allegiance.

4. AFFIDAVIT OF POSTING

MOTION: Commissioner Haddon moved to accept and file the report of the City Clerk on the posting of the agenda for this meeting. Commissioner Lefevre seconded the motion; a voice vote reflected unanimous approval.

5. APPROVAL OF MINUTES

5A. MINUTES OF JANUARY 19, 2012

MOTION: Commissioner See moved to approve the January 19, 2012 Water Commission meeting minutes as presented. Commissioner Lefevre seconded the motion; a voice vote reflected unanimous approval (absent Commissioner Deemer).

5B. MINUTES OF MARCH 15, 2012

MOTION: Commissioner Lefevre moved to approve the March 15, 2012 Water Commission meeting minutes as presented. Commissioner Nishinaga seconded the motion; a voice vote reflected unanimous approval (absent Commissioner Deemer).

6. ORAL COMMUNICATIONS FROM PUBLIC - None.

7. **OLD BUSINESS** - None.

8. **NEW BUSINESS**

8A. **PRESENTATION BY REPRESENTATIVE OF METROPOLITAN WATER DISTRICT REGARDING THE STATE WATER PROJECT**

Senior Administrative Analyst Schaich introduced the item and welcomed Randall Neubeck, Program Manager of Bay Delta Resources, Metropolitan Water District.

Program Manager Neubeck began his slide presentation with an update on reservoir and snowpack conditions, and supply outlook as of April 9, 2012. He noted until last month there was little snow but that the snowpack is now 56-57% of normal. He stated that the Department of Water Resources recently increased the allocation on the State Water Project from 50% to 60%.

He reported that the regulatory drought on the Delta is due to the Delta Smelt that has been listed as an endangered species. He stated that the Smelt population is decreasing and regulations have restricted pumping for seven out of 10 years. With the aid of maps, he showed the Delta's 100 year old levees, and noted that a major concern is the possibility of a major earthquake. He described what would happen in the event of a 6.5 earthquake, resulting in salt water throughout the Delta and a three year outage, and what steps are being taken to prepare for one.

Program Manager Neubeck stated that one of MWD's goals is to replace the water that was lost due to restrictions and to secure the system in order to reduce risk. He discussed their focus on regional investments to reduce reliance on imported water through conservation as well as recycling groundwater and seawater. He provided information about the Bay Delta Conservation Plan that is working to improve the aquatic ecosystem, habitat restoration, and the conveyance system in the Delta.

He discussed some of the ideas for conveyance alignment options that include open canals around the Delta or tunnels under it. He stated that the canal option would cost \$8-9 billion while tunnels are estimated at \$13 billion. He compared the per capita cost with other supply improvement projects. He stated that, not counting litigation, construction could potentially begin in 2015, with operation beginning in 2023.

MWD Wright pointed out that the tunnels would be easier because there would be less litigation.

When Commissioner McGee suggested concentrating efforts on blocking San Francisco Bay, Program Manager Neubeck responded that the fisheries were against that idea. He stated that a more viable option is to shore up the levees that would allow one-half of the supply to get to the pumps in the event of an earthquake.

In response to Commissioner McGee's inquiry, Program Manager Neubeck stated that there is no specific federal bill right now that would fund habitat restoration or conveyance. He noted that water users would pay for conveyance and bonds would fund habitat restoration. He said they are moving forward with planning and design even

if the bond is delayed two years. He concluded his presentation by wishing Commissioners a successful inspection tour of State Water Project facilities.

9. METROPOLITAN WATER DISTRICT DIRECTOR'S REPORT

MWD Director Wright distributed his April 16, 2012 report to City Council regarding MWD activities as well as an April 5, 2012 response to San Diego County Water Authority (SDCWA) on Cost of Service Review. He provided a slide presentation regarding MWD's rates and budget. He stated that last week MWD set their two-year budget and rate adjustment for fiscal years 2013 and 2014 after considering several alternative rate options. He stated that there were several budget workshops and a public hearing before adopting the operating budget of \$1.5 billion in 2013 and \$1.55 billion in 2014.

He discussed MWD's priorities that include investing in aging infrastructure, building storage accounts to improve reliability, and continuing to fund conservation programs and local projects. He stated that replacement and refurbishment of aging infrastructure is essential to continued system reliability and efficiency. He added that their treatment plants are being converted to ozone to meet increasingly stringent water quality regulations. He described some of MWD's cost reductions in order to limit rate increases.

In response to Commissioner Lefevre's inquiries, Senior Administrative Analyst Schaich explained that Goldworthy Desalter water is more expensive than MWD water and that MWD pays \$250 per acre foot for water produced at the facility to keep it cost effective. Staff further explained why the projected cost of State Water Project water is lower.

MWD Director Wright discussed how MWD is maintaining water supply reliability and cost effectiveness. He stated that they are accomplishing this by storing a large amount of water in the Central Valley, fallowing farmland, intentionally created surplus (ICS) in Lake Mead, and bringing water down through the Inland Feeder into Diamond Valley Lake.

He described proposed budget expenditures, noting the high number of fixed costs. He stressed the importance of having reserves and noted that the budget reflects a projected decrease in sales. He showed the options that were considered for rate adjustments and advised that the MWD Board overwhelmingly voted to adopt a 5% increase for fiscal years 2013 and 2014.

Commissioner McCabe inquired about the \$20 million budgeted for conservation and Senior Administrative Analyst Schaich explained that it goes towards rebates and education programs.

Responding to Commissioner Nishinaga's inquiry, MWD Director Wright stated that there are 19 million people in the MWD service area, with 5,200 square miles extending from Ventura to the Mexican border.

Commissioner McCabe raised the possibility of paying residents to tear up their lawns and Public Works Director Beste stated that this is a program that the City Manager, City Council, and Building and Safety would have to consider.

Senior Administrative Analyst Schaich stated that the Water Use Efficiency Study would have more emphasis on outside water use and that the Study would be completed in two to three months. He briefly described the Los Angeles-based program Rain Garden that partially replaces front lawns with native plants.

10. WEST BASIN WATER ASSOCIATION REPORT

Deputy Public Works Director van der Linden reported that at the April 3, 2012 West Basin Water Association meeting the Watermaster reported that water pumped from West Coast Basin was 3,500 acre feet in February 2012, a 6% increase as compared to February 2011, noting that the cumulative total for this water year is 30,700 acre feet. He stated that the Association has still not received the financial analysis report regarding the Watermaster's decision to grant a Non-Consumptive Use Permit to Shell Oil Company.

He reported that West Basin Municipal Water District (WBMWD) would be providing tours of the District's water supply facilities beginning May 4. He stated that they are progressing on the expansion project at the Edward Little Recycle Facility and are in a partnership agreement with LADWP on supplying recycled water in the Terminal Island area to harbor refineries. He discussed a report from Director Gray on the Bay Delta Plan.

Deputy Public Works Director van der Linden reported that MWD discussed their budget and rate increases as well as increased litigation with SDWA over water rates. He stated that MWD has also implemented a policy revision on Directors' expenses and travel. He reported that WRD's March 17 Annual Groundwater Festival was well attended and that the District is going through budget and rate setting hearings. He stated that design for the expansion of the Vander Lans Recycling Facility is 60% complete.

He reported that three candidates for the Central Basin Municipal Water District's Board of Directors were introduced. He invited Commissioners to attend the Quarterly and Annual General Member Meeting on May 30, 2012.

11. MONTHLY DEPARTMENT REPORT

Deputy Public Works Director van der Linden noted that the Monthly Department Report for March 2012 was included in agenda packets. He reported that total water production in March was approximately 37% higher compared to last year and that there were two water main breaks last month. He reported that Goldworthy Desalter is producing approximately 150 acre feet per month and that Well Number 9 is expected to produce a total of approximately 2,000 acre feet at year end.

Responding to Commissioner Nishinaga's inquiry, Senior Administrative Analyst Schaich stated that energy requirements for the Desalter are one-third of the operating cost.

MOTION: Commissioner Haddon moved to accept and file the Monthly Department Report for March 2012. Commissioner Nishinaga seconded the motion; a voice vote reflected unanimous approval (absent Commissioner Deemer).

12. ORALS

12A. Deputy Public Works Director van der Linden reminded Commissioners about the April 27-28 water inspection tour.

12B. Senior Administrative Analyst Schaich stated that there would be a report on the new well field preliminary design next month.

12C. Senior Administrative Analyst Schaich stated that staff is meeting with the Community Development Department regarding green building requirements and would bring back information for discussion.

13. ADJOURNMENT

MOTION: At 8:48 p.m., Commissioner Haddon moved to adjourn the meeting to May 17, 2012 at 7:00 p.m. in the West Annex Commission meeting room. Commissioner Nishinaga seconded the motion and, hearing no objection, Chairperson McGee so ordered.

Approved as Submitted May 17, 2012 s/ Sue Herbers, City Clerk
